



House of Representatives

File No. 785

General Assembly

January Session, 2017

(Reprint of File No. 129)

Substitute House Bill No. 7100
As Amended by House Amendment
Schedules "A" and "B"

Approved by the Legislative Commissioner
May 22, 2017

**AN ACT CONCERNING AMERICAN LEGION STATE FUND
COMMISSION TRANSPARENCY AND MUNICIPAL OPTION
PROPERTY TAX EXEMPTIONS FOR CERTAIN VETERANS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section,
2 (1) "personal information" means information capable of being
3 associated with a particular individual through one or more
4 identifiers, including, but not limited to, an individual's first name or
5 first initial and last name, a Social Security number, a driver's license
6 number, a state identification card number, an account number, a
7 credit card or debit card number, a financial record, a passport
8 number, an alien registration number, a health insurance identification
9 number or any military identification information, and does not
10 include publicly available information that is lawfully made available
11 to the general public from federal, state or local government records or
12 widely distributed media, and (2) "military identification information"
13 means information identifying a person as a member of the armed
14 forces, as defined in section 27-103 of the general statutes, or a veteran,

15 as defined in said section, including, but not limited to, a selective
16 service number, military identification number, discharge document,
17 military identification card or military retiree identification card.

18 (b) (1) Except as provided in subsection (c) of this section, any
19 record of the American Legion related to the administration of the
20 Soldiers, Sailors and Marines Fund, which fund is described in sections
21 27-138 to 27-140, inclusive, of the general statutes, shall be deemed a
22 public record, as defined in section 1-200 of the general statutes, and
23 disclosed to the extent required of any such public record under the
24 Freedom of Information Act, as defined in said section.

25 (2) The Treasurer, as custodian and trustee of the Soldiers, Sailors
26 and Marines Fund under section 27-138 of the general statutes, may
27 access any such record and shall be the public agency for purposes of
28 any request made for any such record pursuant to the Freedom of
29 Information Act.

30 (c) The Treasurer shall not disclose the personal information of any
31 individual who (1) makes a gift, bequest or donation to the fund, or (2)
32 is an applicant for, or a recipient of, aid from the fund unless any such
33 disclosure is for purposes of (A) administering aid from the fund, (B)
34 assisting any such applicant or recipient in obtaining aid from any
35 other government or private program, or (C) complying with a court
36 order.

37 Sec. 2. Subsection (b) of section 12-81g of the general statutes is
38 repealed and the following is substituted in lieu thereof (*Effective*
39 *October 1, 2017, and applicable to assessment years commencing on or after*
40 *October 1, 2017*):

41 (b) (1) Effective for the assessment year commencing October 1,
42 2013, and each assessment year thereafter, any municipality may, upon
43 approval by its legislative body or, in any town in which the legislative
44 body is a town meeting, by the board of selectmen, provide that, in lieu
45 of the additional exemption prescribed under subsection (a) of this
46 section, any person entitled to an exemption from property tax in

47 accordance with subdivision (20) of section 12-81, reflecting any
48 increase made pursuant to the provisions of section 12-62g, who has a
49 disability rating of one hundred per cent, as determined by the United
50 States Department of Veterans Affairs, shall be entitled to an
51 additional exemption from such tax in an amount equal to three times
52 the amount of the exemption provided for such person pursuant to
53 subdivision (20) of section 12-81, provided such person's total adjusted
54 gross income as determined for purposes of the federal income tax,
55 plus any other income not included in such adjusted income,
56 excluding veterans' disability payments, individually if unmarried, or
57 jointly with spouse if married, during the calendar year ending
58 immediately preceding the filing of a claim for any such exemption, is
59 not more than [twenty-one] twenty-four thousand dollars if such
60 person is married or not more than [eighteen] twenty-one thousand
61 dollars if such person is not married.

62 (2) The provisions of this subsection shall not limit the applicability
63 of the provisions of subsection (a) of this section for persons not
64 eligible for the property tax exemption provided by this subsection.

65 Sec. 3. (NEW) (*Effective October 1, 2017, and applicable to assessment*
66 *years commencing on or after October 1, 2017*) (a) Any municipality, upon
67 approval by its legislative body, may provide that any veteran, as
68 defined in subsection (a) of section 27-103 of the general statutes,
69 which veteran is a resident of such municipality and ineligible for an
70 exemption from property tax under subdivisions (19) to (21), inclusive,
71 of section 12-81 of the general statutes, shall be entitled to an
72 exemption from property tax, provided such veteran's qualifying
73 income does not exceed (1) the maximum amount applicable to an
74 unmarried person, as provided under section 12-81l of the general
75 statutes, as amended by this act, or (2) an amount established by the
76 municipality, not exceeding the maximum amount under section 12-
77 81l of the general statutes, as amended by this act, by more than
78 twenty-five thousand dollars. The exemption provided for under this
79 section shall be applied to the assessed value of any such veteran's
80 property and, at the municipality's option, may be in an amount up to

81 five thousand dollars or in an amount up to five per cent of such
82 assessed value.

83 (b) (1) Any veteran described in subsection (a) of this section who
84 claims an exemption from taxation under this section shall give notice
85 to the town clerk of such municipality that he or she is entitled to such
86 exemption.

87 (2) Any such veteran submitting a claim for such exemption shall be
88 required to file an application, on a form prepared for such purpose by
89 the assessor, not later than the assessment date with respect to which
90 such exemption is claimed, which application shall include (A) a
91 certified copy of such veteran's military discharge document, as
92 defined in section 1-219 of the general statutes, or (B) in the absence of
93 such certified copy, at least two affidavits of disinterested persons
94 showing that the claimant was honorably discharged from, or released
95 under honorable conditions from active service in, the armed forces, as
96 defined in section 27-103 of the general statutes, provided the assessor
97 may further require such claimant to be examined by such assessor
98 under oath concerning such facts. Each such application shall include a
99 copy of such veteran's federal income tax return, or in the event such a
100 return is not filed such evidence related to income as may be required
101 by the assessor, for the tax year of such veteran ending immediately
102 prior to the assessment date with respect to which such exemption is
103 claimed. Such town clerk shall record each such affidavit in full and
104 shall list the name of such veteran, and such service shall be performed
105 by such town clerk without remuneration. No assessor, board of
106 assessment appeals or other official shall allow any such claim for
107 exemption unless evidence as specified in this section has been filed in
108 the office of such town clerk. Any such veteran who has filed for such
109 exemption and received approval for the first time shall be required to
110 file for such exemption biennially thereafter, subject to the provisions
111 of subsection (c) of this section.

112 (3) The assessor of such municipality shall annually make a certified
113 list of all such veterans who are found to be entitled to exemption

114 under the provisions of this section, which list shall be filed in the
115 town clerk's office and shall be prima facie evidence that any such
116 veteran whose name appears on such list is entitled to such exemption,
117 subject to the provisions of subsection (c) of this section, as long as he
118 or she continues to reside in such municipality and as long as the
119 legislative body of such municipality continues to provide for such
120 exemption. Such assessor may, at any time, require any such veteran to
121 appear before such assessor for the purpose of furnishing additional
122 evidence, provided any such veteran who, by reason of total disability,
123 is unable to so appear may furnish such assessor a statement from such
124 veteran's attending physician or an advanced practice registered nurse
125 certifying that such veteran is totally disabled and unable to make a
126 personal appearance and such other evidence of total disability as such
127 assessor may deem appropriate.

128 (4) No such veteran may receive such exemption until such veteran
129 has proven his or her right to such exemption in accordance with the
130 provisions of this section, together with such further proof as may be
131 required under such provisions. Exemptions so proven shall take effect
132 on the next succeeding assessment day.

133 (c) Any such veteran who has submitted an application and been
134 approved in any year for the exemption provided in this section shall,
135 in the year immediately following approval, be presumed to be
136 qualified for such exemption. During the year immediately following
137 such approval, the assessor shall notify, in writing, each veteran
138 presumed to be qualified pursuant to this subsection. If any such
139 veteran has qualifying income in excess of the maximum allowed
140 under subsection (a) of this section, such veteran shall notify the
141 assessor on or before the next filing date for such exemption and shall
142 be denied such exemption for the assessment year immediately
143 following and for any subsequent year until such veteran has
144 reapplied and again qualified for such exemption. Any such veteran
145 who fails to notify the assessor of such disqualification shall make
146 payment to the municipality in the amount of property tax loss related
147 to such exemption improperly taken.

148 Sec. 4. Section 12-81l of the general statutes is repealed and the
 149 following is substituted in lieu thereof (*Effective October 1, 2017, and*
 150 *applicable to assessment years commencing on or after October 1, 2017*):

151 Whenever used in sections 12-81f, 12-81g, as amended by this act,
 152 12-81i, [and] 12-81j and section 3 of this act, "qualifying income"
 153 means, with respect to any person making application for exemption
 154 from property tax as provided under any of said sections, such
 155 person's total adjusted gross income as determined for purposes of the
 156 federal income tax plus any other income not included in such
 157 adjusted gross income, individually if unmarried, or jointly with
 158 spouse if married, during the calendar year ending immediately
 159 preceding the filing of a claim for any such exemption, but does not
 160 include veterans' disability payments. For purposes of determining
 161 eligibility for any of such exemptions, such qualifying income may not
 162 exceed fourteen thousand dollars, if unmarried, or sixteen thousand
 163 dollars, jointly with spouse, if married, provided in no event shall such
 164 maximum amounts of qualifying income with respect to any such
 165 person be less than the maximum amount of such qualifying income in
 166 the case of a married or unmarried person, whichever is applicable,
 167 under subsection (b) of section 12-170aa, and in the event that such
 168 maximum qualifying income under this section is less than the
 169 comparable amount under said subsection (b) of section 12-170aa for
 170 any assessment year, such amount under this section shall be made
 171 equivalent to that under said subsection (b) of section 12-170aa for
 172 purposes of determining eligibility under this section for such
 173 assessment year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>October 1, 2017 and applicable to assessment years commencing on or after October 1, 2017</i>	12-81g(b)

Sec. 3	<i>October 1, 2017, and applicable to assessment years commencing on or after October 1, 2017</i>	New section
Sec. 4	<i>October 1, 2017, and applicable to assessment years commencing on or after October 1, 2017</i>	12-81l

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill, which requires that the records of the American Legion related to the administration of the Soldiers' Sailors and Marines Fund (SSMF) be subject to disclosure under the Freedom of Information Act (FOIA), has no fiscal impact.

House "A", which outlines certain American Legion records related to the SSMF that will not be subject to disclosure under the FOIA, has no fiscal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**sHB-7100 (as amended by House "A" and "B")*****AN ACT CONCERNING AMERICAN LEGION STATE FUND
COMMISSION TRANSPARENCY.****SUMMARY**

This bill establishes an additional optional municipal veteran's property tax exemption by allowing municipalities, with their legislative body's approval, to provide a property tax exemption to certain veterans (see BACKGROUND) who do not qualify for certain veteran property tax exemptions (i.e., wartime, disabled, and severe service-related exemptions). A municipality may exempt up to \$5,000 or 5% of the property's assessed value. The bill establishes application requirements and procedures.

Existing law allows municipalities, with their legislative body's approval, to provide 100% disabled veterans, under certain income thresholds, with three times the amount provided under the state-mandated disabled veterans exemption. The bill increases such income eligibility thresholds from (1) \$18,000 to \$21,000, if single and (2) \$21,000 to \$24,000, if married.

The bill also, generally, deems any American Legion records related to the administration of the Soldiers', Sailors' and Marines' Fund (SSMF, see BACKGROUND) as public records and subject to disclosure under the Freedom of Information Act (FOIA). It prohibits the state treasurer, as the SSMF custodian and trustee, from disclosing certain personal information.

*House Amendment "A" (1) exempts certain personal information from FOIA disclosure, (2) deems SSMF administrative records as public records, and (3) makes minor and technical changes.

*House Amendment "B" (1) establishes an optional municipal property tax exemption for certain veterans and (2) increases the income threshold for the municipal option of tripling the state-mandated property tax exemption.

EFFECTIVE DATE: Upon passage for the FOIA provision, and October 1, 2017 for the property tax provisions, and the property tax exemptions apply to assessment years beginning on or after October 1, 2017.

OPTIONAL MUNICIPAL VETERAN PROPERTY TAX EXEMPTION

Eligibility

Under the bill, to be eligible for such optional municipal veteran property tax exemption, the veteran must be the resident of that municipality and not be eligible for the state-mandated property tax exemptions for wartime, disabled, and severe service-related veterans (CGS §§ 12-81(19) to (21)).

Additionally, such veteran's income cannot exceed (1) the state's income limit annually set by the Office of Policy and Management (for 2017, \$35,200, if single and \$42,900, if married, which includes inflation adjustments) or (2) an amount the municipality sets, up to \$25,000 more than the state limit.

Application Procedure

A veteran claiming the exemption must (1) notify the town clerk in the municipality where he or she resides and (2) file an application, on a form prepared by the tax assessor, before the assessment date for which the exemption is claimed.

The bill requires the application to include:

1. a certified copy of the veteran's military discharge document (e.g., DD 214) or at least two affidavits from disinterested persons showing the veteran was honorably discharged or released under honorable conditions from active service and

2. a copy of the veteran's federal income tax return, or if a return is not filed, income-related evidence required by the assessor for the tax year immediately before the assessment date for which the exemption is claimed.

Under the bill, the assessor may require further examination of the veteran under oath concerning the facts in the affidavits.

The assessor must record, for free, each affidavit in full and list the veteran's name. The bill prohibits an assessor, board of assessment appeals, or other official to grant an exemption until all of the required documentation is filed with the town clerk.

Once an application is approved, the exemption takes effect the next day. The veteran must reapply for the exemption every two years.

Annual Certified List

The bill requires the municipal tax assessor to annually make a certified list of veterans that are entitled to the exemption and file it in the town clerk's office. The list is prima facie evidence that the veteran is entitled to the exemption as long as he or she currently lives in the municipality and the municipality still provides the exemption.

Appearance Before the Assessor

Under the bill, at any time, the assessor may require a veteran to appear to furnish additional evidence. But if the individual is unable to appear because of a disability, he or she may submit to the assessor a statement from an attending physician or advanced practice registered nurse certifying the disability and inability to appear. The assessor may request other evidence of total disability that he or she deems appropriate.

Disqualifying Income

A veteran approved for an exemption in any year is presumed to qualify again in the following year. As such, the assessor must notify in writing each of these veterans. (Presumably, the notice would inform them of their ability to claim the exemption that year.)

If the veteran's income exceeds the amount allowed that year, he or she must notify the assessor on or before the next filing date. The assessor must deny the exemption for the year immediately following and any subsequent year, until the veteran reapplies and requalifies for the exemption.

The bill requires any veteran who fails to notify the assessor of such income disqualification to make payments to the municipality in the amount of the property tax exemption that was improperly taken.

MUNICIPAL INCOME-BASED EXEMPTION

By law, municipalities must give disabled veterans an additional income-based exemption. For a veteran whose income falls below a statutorily determined limit, the additional exemption is equal to twice the underlying exemption (CGS § 12-81g(a)). For a veteran whose income is above the limit, the additional exemption is 50% of the underlying exemption (CGS § 12-81g(d)). For 100% disabled veterans, unchanged by the bill, the law sets the limit at \$18,000 for unmarried veterans and \$21,000 for married veterans.

Instead of providing the additional exemption as described above, existing law allows municipalities, with their legislative body's approval, to provide 100% disabled veterans, under certain income thresholds, with three times the amount provided under the state-mandated disabled veterans exemption. The bill increases the income eligibility thresholds for this municipal option from (1) \$18,000 to \$21,000, if single and (2) \$21,000 to \$24,000, if married.

FOIA DISCLOSURES

Under the bill, the state treasurer may access any American Legion record related to SSMF administration and is designated the public agency for the purposes of any FOIA request.

The bill prohibits the treasurer from disclosing the personal information of anyone who (1) makes a gift, bequest, or donation to SSMF or (2) is an applicant for, or a recipient of, SSMF aid unless such

disclosure is for (a) administering aid from the fund, (b) assisting such applicant or recipient in obtaining aid from any other government or private program, or (c) complying with a court order.

Under the bill, “personal information” means information capable of being associated with a particular individual through one or more identifiers, including an individual’s first name or initial and last name, a Social Security number, a driver’s license number, a state identification card number, an account number, a credit or debit card number, a financial record, a passport number, an alien registration number, a health insurance identification number, and any military identification information. This information does not include any publically available information that is lawfully made available to the general public from federal, state, or local government records or widely distributed media.

"Military identification information" means information identifying a person as a armed forces member or a veteran (see BACKGROUND), including a selective service number, military identification number, discharge document, military identification card, or military retiree identification card.

BACKGROUND

Veteran

A veteran is anyone honorably discharged or released from active service in the U.S. Armed Forces.

U.S. Armed Forces

The U.S. Armed Forces includes the Army, Navy, Marine Corps, Coast Guard, and Air Force and any reserve component of these branches, including the Connecticut National Guard performing duty under Title 32 of federal law (e.g., certain Homeland Security missions).

SSMF

PA 13-247, §§ 121-122, transferred SSMF administration from a state

agency to the American Legion. But the state treasurer retains custody of the fund and responsibility for investing any amount not required for disbursement.

The SSMF is a trust fund invested by the state treasurer that uses the interest from its investment to provide temporary benefits, such as food, clothing, medical, surgical, and funeral assistance, to eligible wartime veterans and their dependents or surviving dependents.

COMMITTEE ACTION

Veterans' Affairs Committee

Joint Favorable

Yea 14 Nay 0 (03/02/2017)

Government Administration and Elections Committee

Joint Favorable

Yea 16 Nay 0 (04/07/2017)